

The Trends Regarding Foreign Tourists to Beppu, Oita Prefecture in Japan

Han Jiho*
Yotsumoto Yukio*

Abstract

Beppu is one of the most popular tourist destinations in Japan with its established reputation for onsen (hot springs). Since 2000, the Beppu Foreign Tourists Welcoming Committee and Ritsumeikan Asia Pacific University have filed and analyzed monthly statistics of foreign tourist visits. Although Beppu is witnessing an overall decrease in foreign travelers due to the impact of the global economic downturn and H1N1 influenza, visitors from European countries have been increasing in recent years. This study discusses the trends and profiles of foreign visitors to Beppu over the last 9 years and provides implications for the importance of keeping visitor statistics.

Key Words: Beppu, *Onsen*, foreign tourists, visitor's statistics

Introduction - Visit Japan Campaign

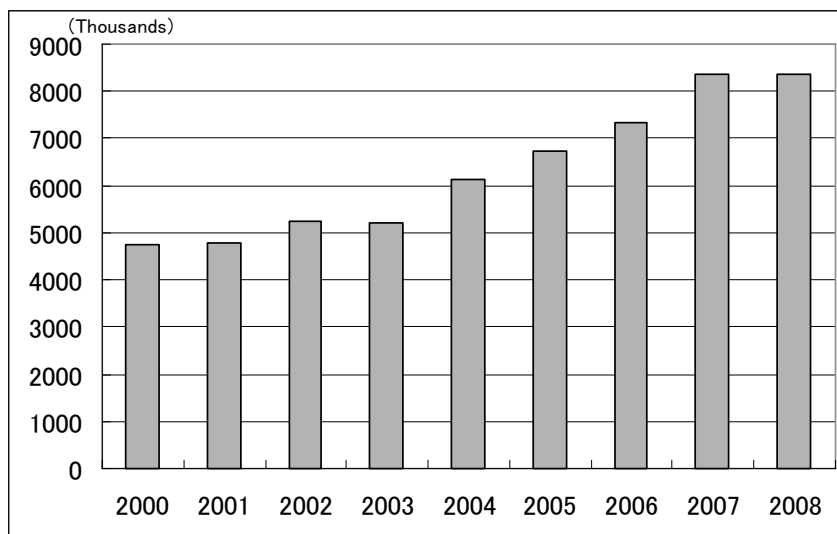
Japan has struggled to solve the issue of its international trade imbalance due to the export of Japanese products through various initiatives. As a part of resolving this issue, Japan encouraged its citizens to travel overseas. This resulted in the phenomenal growth of Japanese tourists overseas, from 5 million in 1985 to 16.5 million in 2003. However, it brought another imbalance — the number of foreign tourists visiting Japan was only 5,240,000 in the same year. Concurrently with this situation, tourism became a major growth industry worldwide, increasing economic growth and generating jobs and income globally. These trends prompted Prime Minister Junichiro Koizumi, in his January 2003 policy statement, to set a target to double the number of foreign tourists visiting Japan to 10 million. In response to the Prime Minister's request, the Visit Japan Campaign was launched in March 2003 and its Headquarters Secretariat opened in April 2003 (Ministry of Land, Infrastructure, Transport and Tourism, 2006). The target date for achieving this

* Associate Professor, College of Asia Pacific Studies, Ritsumeikan Asia Pacific University.

objective was set for the year 2010.

For this purpose, the Visit Japan Campaign designated 12 countries or areas as priority markets (Korea, Taiwan, China, Hong Kong, Thailand, Singapore, the United States, Canada, U.K., Germany, France, and Australia) and conducted two major categories of projects; attract attention and attract tourists. The first type of projects include the invitation and support of foreign media, advertisements of Japanese tourism through overseas TV commercials, creation of websites, and participation in travel expositions overseas. The second type includes the invitation of foreign travel companies to Japan, arrangement of business talks, joint advertisements regarding Japanese tourism products, and the promotion of educational tours to Japan. Along with these projects, the Japanese government relaxed visa issuance procedures such as removing the visa requirement for short stay tourists from Korea, Taiwan, and Hong Kong.

These twelve priority markets are actually the top 12 areas, which send tourists to Japan. Therefore, the assumption is that, since they already send a large number of tourists to Japan, increasing these numbers is easier than focusing on areas that do not currently send many tourists to Japan. In 2007, India, Russia, and Malaysia were designated as promising emerging markets and market research was conducted concerning these areas for possible inclusion in priority markets (Ministry of Land, Infrastructure, Transport and Tourism, Japan 2006). By these measures of attract attention



(Created based on statistics from Ministry of Land, Infrastructure, Transport and Tourism, Japan)

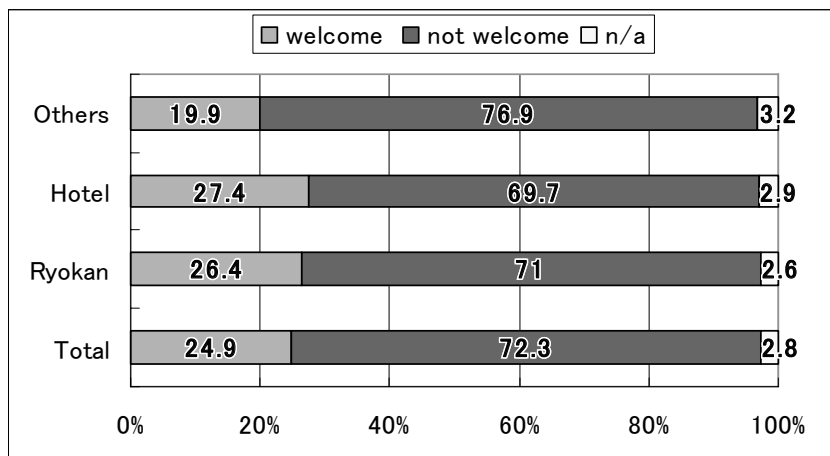
Figure 1. The Number of Foreign Tourists to Japan 2000-2008

The Trends Regarding Foreign Tourists to Beppu, Oita Prefecture in Japan

and attract tourists, the Visit Japan Campaign has contributed to the increase in the number of foreign tourists as shown in figure 1.

While the Japanese government initiates various promotion activities to attract foreign tourists to Japan as explained above, not all of the tourism facilities such as accommodations seem to share the necessity to welcome foreign visitors (see Figure 2). The Ministry of Internal Affairs and Communications (2009) conducted a survey in 2008, which revealed overwhelming results on the attitudes of accommodations towards foreign tourists. Among the accommodation facilities, which did not have foreign travelers stay in 2007, more than 70% replied that they do not welcome foreign guests to their facilities. Slight differences in attitudes were found across facility types; 69.7% of hotels responded that they do not want to accept foreign travelers, and the percentage of Ryokan is slightly higher. Accommodation facilities other than hotels and ryokan are even less likely to welcome foreign guests; 76.9% of them indicated that they do not want to receive foreign travelers in the future.

The survey also examined the reasons that the accommodations do not welcome



(Ministry of Internal Affairs and Communications, 2009)

Figure 2. The Attitudes of Japanese Accommodations towards Foreign Tourists by Types of Facility, 2008

foreign guests to their facilities. The following six responses were given as the major reasons: “Can’t speak foreign languages”; “Facility is not suitable to accept foreigners” ; “Afraid of dealing with problems”; “Worried about payment methods”; “Prefer domestic travelers”; and “Not enough tourists attractions near the facility.”

Trends of Foreign Tourists to Japan

The number of foreign tourists to Japan has increased steadily in parallel with the worldwide trend of tourism. In 2000, the number of tourists was 4,757,000 and, in subsequent years, it grew steadily except for 2003 when tourists were discouraged from traveling due to the SARS pandemic. In 2008, the number of inbound tourists was 8,351,000, a 0.05 % increase from the previous year. This positive growth is attributed to a variety of factors, including the success of the Visit Japan Campaign (VJC), the continued depreciation of yen, the increasing supply of air passenger seats, charter service to local airports, cruise ship service, discount ticket sales by airline and travel companies, the continuing effect of the visa waiver, the holding of travel exchange events with Japanese counterparts, publication of a travel guide to Japan, and the surge in popularity of Japanese ski resorts, etc. (JNTO 2008). Although this trend was expected to continue, the recent economic crisis caused the growth rate to decrease after August 2008. Thus, the number of foreign tourists to Japan in 2008 increased by only 4,000 people (Figure 1).

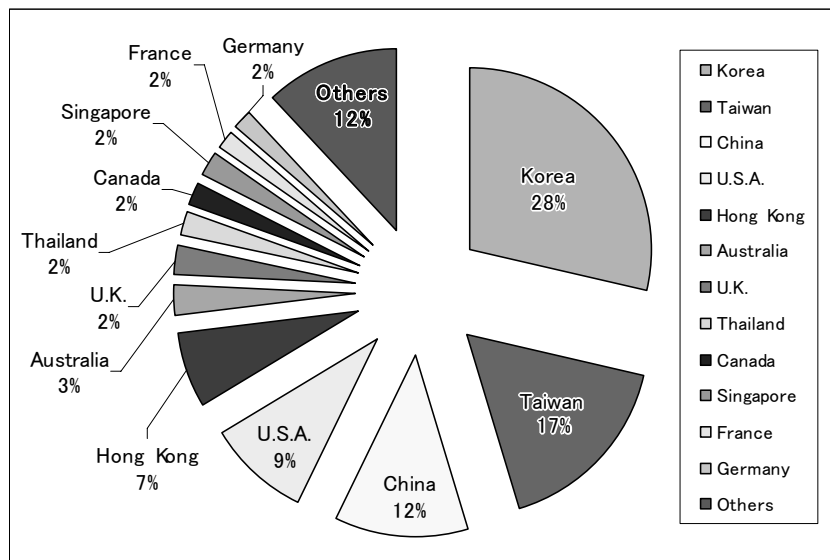
From January to August 2009, the estimated number of foreign tourists to Japan was 4,407,000, a 25.3% reduction from the previous year (JNTO 2009). The effect of the economic crisis continues with no end in sight, but the emphasis on tourism development by the national government strives to overcome the recent drawback¹⁾.

Among international tourists, people from Asian countries are the dominant presence in travel to Japan, accounting for 73.7% of the foreign tourists in 2008. Korean nationals constitute the largest segment of inbound tourists, registering 2,382,397 in 2008, 28.5% of the foreign tourists. The second largest group of foreign tourists is Taiwanese who account for 16.6% with 1,390,228 people. They are followed by tourists from China, U.S.A, Hong Kong, Australia, U.K., Thailand, Canada, Singapore, France, and Germany (see Figure 3). While half of the top 12 nations are non-Asian, only Americans show a notable presence as tourists with 768,345 visitors (9.2%). In terms of tourism promotion, the statistics suggest that the consideration of languages and cultures other than English and Western become more important.

Among the 8,347,000 foreign tourists to Japan in 2007, 5,954,000 came for the purpose of sightseeing (71.3%), 1,576,000 for business purposes (18.9%), and 817,000 for purposes other than the two noted (9.8%). The recent growth of foreign tourists to Japan is mainly attributed to the increase in sightseeing trips (JNTO 2008).

Profiles of foreign visitors to Japan in 2007 indicate that 52.4% were males and 47.6% were females. When analyzing the number of visitors by age cohort and by gender, a male in his thirties travels to Japan the most, followed by a male in his forties, a female in her

The Trends Regarding Foreign Tourists to Beppu, Oita Prefecture in Japan



(Adopted from JNTO 2009)

Figure 3. The Number of Foreign Tourists to Japan by Nationality, 2008

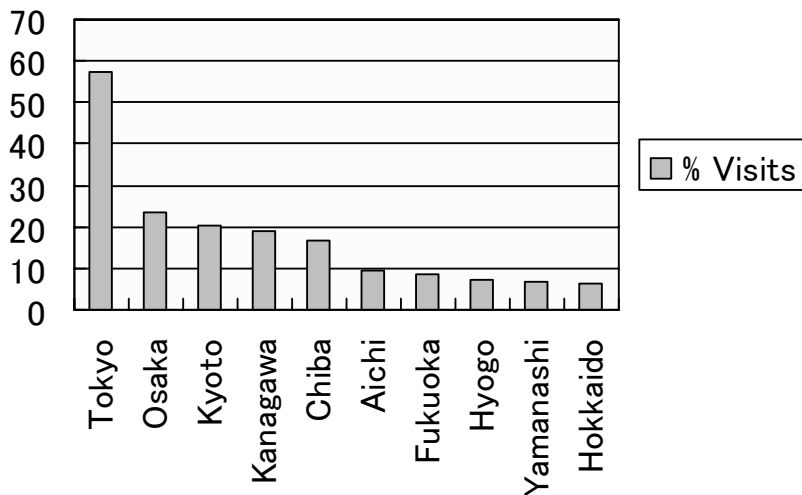
twenties and a female in her thirties. On average, foreign visitors stayed in Japan for 6.5 nights (JNTO 2008). The length of stay shows a clear distinction between Asian and Western tourists; Western tourists tend to stay longer than Asian tourists. For example, Germans stayed for 8.7 days while Koreans stayed for only 4.2 days. Although the number of foreign tourists increased in recent years, the average length of stays decreased from 8.5 days in 2003 to 6.5 days in 2007. In terms of the local economy and income generation, the length of stay should be considered as seriously as the number of tourists.

Seasonality is found in the Japanese inbound tourist business in the form of four peak tourist seasons. The first peak is from January to February when some Asian countries have holidays to celebrate the New Year (by both old and new calendars). The second peak is in April when the Japanese landscape is filled with cherry blossoms. This is especially attractive for international tourists who come from regions that do not have four seasons. The third peak is from July to August when schools in the Northern Hemisphere have a summer break. The fourth peak is in October when the leaves on the trees turn to red and yellow, another attractive scene for those tourists who live in the tropical zone. The first and third peaks are created by the push factor of holidays in the originating countries. The second and fourth peaks are due to the pull factor of the beautiful Japanese landscape created by the four seasons. This fact suggests that, although the Japanese government and tourism industry can not greatly influence the first

and third peaks, they can exert power to shape the second and fourth peaks. The promotion of Japan emphasizing its changing seasons may be effective.

The destinations of foreign tourists in Japan at the prefecture level show their preference for Major Metropolitan Areas (MMAs). A survey of foreign tourists visiting Japan in 2006 revealed that 57.4% of them visited Tokyo, followed by Osaka Prefecture (23.7%), Kyoto Prefecture (20.3%), Kanagawa Prefecture (18.8%), and Chiba Prefecture (16.7%) (see Figure 4) (JNTO 2008). Tokyo, Kanagawa, and Chiba belong to Keihinyo MMA and Osaka and Kyoto belong to Keihanshin MMA. Their prominence is probably due to the location of transportation gateways in these areas (Narita International Airport in Chiba and Kansai International Airport in Osaka) and the well-developed transportation systems accompanying them. The dominance of Asian tourists staying shorter periods of time means that foreign tourists in general tend not to travel too far away from MMAs. The high concentration of foreign tourists going to MMAs is a clue that there is much room to develop alternative destinations for foreign tourists throughout Japan, especially in rural areas, if stay-longer campaigns are carried out simultaneously. Destinations outside of MMAs have thus far not been tapped by foreign tourists.

When analyzing the destinations by the nationality of the foreign tourists, the Chinese, Taiwanese, Korean, and Hong Kong tourists chose Fukuoka Prefecture as one of their top 10 destinations. Four prefectures from the Kyushu Region were selected among the top 10 destination prefectures by Koreans who are the number one nationality. For



(Created using data from JNTO 2008)

Figure 4. Destinations of Foreign Tourists in Japan by Prefecture, 2006

The Trends Regarding Foreign Tourists to Beppu, Oita Prefecture in Japan

Koreans, Fukuoka Prefecture is the third most popular destination in Japan, along with Oita Prefecture (7th), Kumamoto Prefecture (8th) and Nagasaki Prefecture (10th).

When we look at the specific destinations which foreign tourists want to recommend to their friends, we catch a glimpse of the tourists' motivations. The survey of 2006 (JNTO 2008) shows 21 chosen locations along with the reasons for these choices (see Table 1).

Kyoto city is the number one destination foreign tourists want to recommend to their friends because of its attractive traditional culture and history. Osaka city, Shinjyuku, Ginza, Shibuya, Fukuoka city, Harajyuku, and Akihabara are chosen for their interesting shopping. Among the top 20 recommended destinations, nine are located within Tokyo, which offers urban appeal.

The beauty of the natural landscape is appreciated by visitors to Hakone, Jyozankei

Table 1. Top 20 Japanese locations which foreign tourists want to recommend to his/her friends

Ranking	Recommended Destinations	Reason for Recommendation
1	Kyoto City	Attractive traditional culture and history
2	Osaka City	Being able to enjoy shopping
3	Shinjyuku	Being able to enjoy shopping
4	Tokyo Disney Land	Good amusement facilities
5	Odaiba	Attractive urban landscape
6	Hakone	Attractive natural landscape
7	Ginza	Being able to enjoy shopping
8	Shibuya	Being able to enjoy shopping
9	Fukuoka City	Being able to enjoy shopping
10	Asakusa	Attractive traditional culture and history
11	Yokohama	Attractive urban landscape
12	Harajyuku	Being able to enjoy shopping
13	Jyozankei, Sapporo	Attractive natural landscape
14	Mt. Fuji	Attractive natural landscape
15	Akihabara	Being able to enjoy shopping
16	Nagoya	Attractive lively atmosphere
17	Nikko	Attractive natural landscape
18	Roppongi	Being able to enjoy night life
19	Kobe	Attractive urban landscape
20	Beppu Ueno	Attractive onsen Attractive museums

(Adopted from JNTO 2008)

(Sapporo), Mt. Fuji and Nikko, which are far away from major cities. Beppu, which will be discussed in the following sections, is ranked 20th with *onsen* (hot springs) as its number one attraction.

Beppu City – An Overview

Beppu is in Oita Prefecture and is the second largest city after Oita city. The city is on an alluvial fan, which faces Beppu Bay in the northeast area of Kyushu island. It lies at the foot of the Yufu and Tsurumi Mountains and is well connected to larger cities by air, rail, ferry and highway. Oita Airport, located northeast of Beppu, is about 40 minutes away and has five routes bound for Tokyo (Haneda), Osaka (Itami), Nagoya (Chubu), Okinawa (Naha), and Seoul. Kyushu Railway Company runs the Nippo Line, which connects Beppu to Oita city and Kitakyushu city in Fukuoka Prefecture; the limited express trips take approximately 10 and 75 minutes respectively. The city is also served by two ferries: the Uwajima Unyu bound for Yawatahama in Ehime Prefecture and Kansai Kisen bound for Osaka city. The Oita Expressway and two national roads, Route 10 and Route 500, also go through Beppu.

The city's population peaked at 136,485 in 1980 but, over the past 10 years, it has stabilized at around 126,000. The number of workers in Beppu in 2005 was 61,477. Among those, 56,629 were employed and 4,848 were unemployed. In that year, the primary industry employed 847 people, and 8,680 people were employed in the secondary industry. The manufacturing sector employed 4,079 while the tertiary industry employed 46,102 people, which represented 81.4 percent of employment in the city. Among those, 6,099 were in the restaurant and lodging sector. Transportation hired 2,402 people, the retail sale industry employed 11,112, and the service industry employed 8,939²⁾. As indicated by these numbers, tourism is a significant part of Beppu's employment.

Beppu's tourism industry is robust compared with other industrial sectors, all of which are facing the adverse impacts of the recent economic crisis. The number of job openings in the city was 1,097 in July 2009. This is a 27.5 percent reduction from the same month last year. At the prefecture level, the number of job opening was 6,083 with a reduction rate of 22 percent. Looking at the number by industry at the prefecture level, the lodging industry had 259 openings in July 2009, which is 6.5 percent less than the same month of last year. For food services, the number of job opening was 526 with a 3.3 percent reduction (Oita Prefecture Bureau of Labor 2009). Although this sector faces difficulties, these figures indicate that the tourism industry in Beppu³⁾ stands firm relative to other industries. For example, the construction sector is suffering from a 19.9 percent reduction and the manufacturing sector is experiencing a 38 percent reduction. The

The Trends Regarding Foreign Tourists to Beppu, Oita Prefecture in Japan

tourism industry in Beppu is thus an important component of its economy.

Beppu's most important tourist attraction is the onsen (hot springs). Beppu *onsen* have the largest number of fountainheads (2,832) and the largest volume of output (102,411 liter/minutes) in Japan (Japan SPA Association 2009). The eight groups or areas of *onsen* are called Beppu Hatto. On the seaside from the north to south, they are Kamegawa Onsen, Beppu Onsen, and Hamawaki Onsen; on the mountain side from the north to south, they are Shibaseki Onsen, Myoban Onsen, Kannawa Onsen, Horita Onsen, and Kankaiji Onsen. Each group was developed independently as an *onsen* resort, with the oldest one dating back to the early 8th century. Within each group are many individual *onsen* with different qualities of water (10 of the 11 kinds found in the world⁴⁾). Also, Beppu Hatto has a variety of *onsen* types: regular bath, waterfall shower, mud bath, sand bath, and steam bath (Beppu City 2009). The volume, quality, and type of *onsen* are unmatched by other *onsen* regions in Japan, making this the strength of Beppu as a tourist area.

Trends regarding Foreign Tourists to Beppu, Oita Prefecture

The Beppu Foreign Tourists Welcoming Committee and Ritsumeikan Asia Pacific University have been collaborating on the filing of monthly statistics regarding the overnight stays by foreign tourists since September 2000. This began as a volunteer project by a professor at the university, Masakatsu Ogata, who developed the original format and guidelines of the statistics. In March 2008, this project became an official collaboration between the committee and the university.

Among the members of the Beppu Foreign Tourists Welcoming Committee, 27 accommodation facilities have agreed to submit a monthly survey, which reports the number of foreign guests staying with them and the guests' nationalities as identified in their passports. The survey is distributed to each facility on the first day of the month; they record the previous month's guests and submit it to Ritsumeikan Asia Pacific University by the 10th of every month. This data is then used to prepare a report, published by the end of the month. For example, the statistics for January are reported on the last day of February.

The number of overnight stays by foreign travelers to Beppu doubled in the 6 years from 2001 (120,000) to 2007 (245,000) (see Figure 5). More than 90% of these foreign tourists were from Asian countries. Although the total number of foreign travelers who stayed in Beppu had increased up to 2007 (with the exception of 2005), the year 2008 witnessed a decrease due to the influence of the global economic crisis and H1N1 influenza.

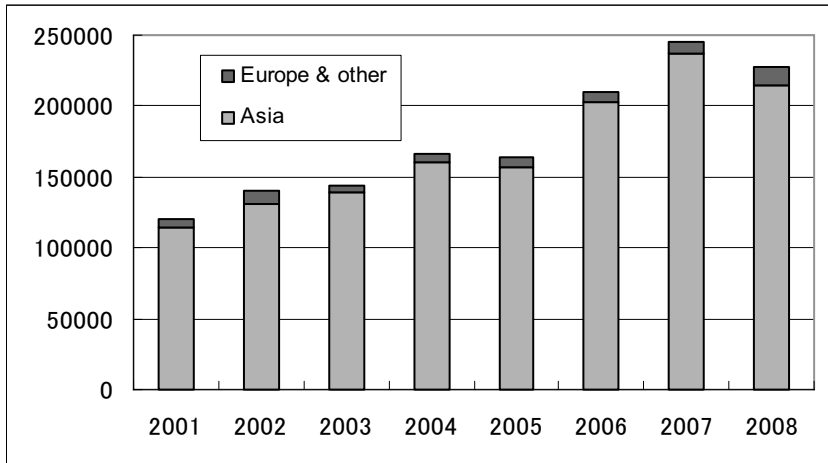


Figure 5. Statistics of Foreign Tourists to Beppu (BFWC, 2000-2009)

The detailed breakdown of tourist statistics from Asian countries indicates that, since 2003, more than 80% of the visitors staying overnight in Beppu were from Korea (see Figure 6). Korean travelers accounted for 53% and 74% of tourists in 2001 and 2002. Even in the current severe economic conditions, Korean travelers are still the largest group of visitors to Beppu.

Although the number is still small, travelers from Asian countries other than the major target markets of Korea, Taiwan, Hong Kong, and Singapore are continually increasing. Only two thousands tourists from minor Asian markets stayed overnight in 2006, but the numbers increased to 6,641 in 2008.

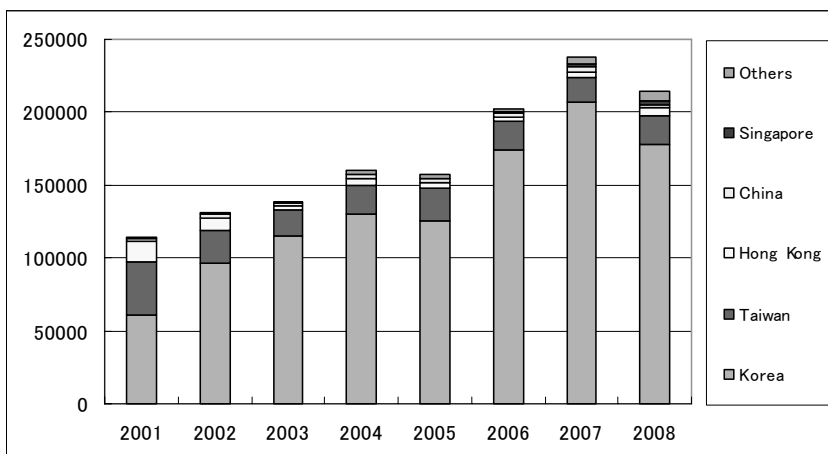


Figure 6. Foreign Tourists from Asian Countries to Beppu (BFWC, 2000-2009)

The Trends Regarding Foreign Tourists to Beppu, Oita Prefecture in Japan

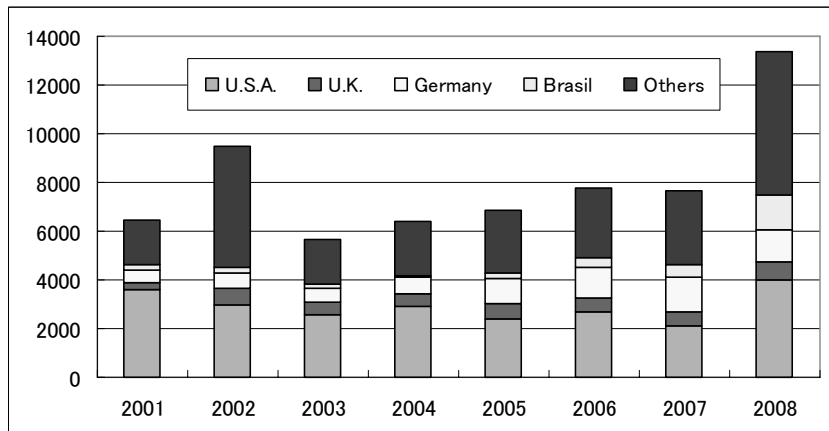


Figure 7. Foreign Tourists from Non-Asian Countries to Beppu (BFWC, 2000-2009)

Regarding the travelers from non-Asian countries, tourists from the major target markets of U.S.A., U.K., Germany, and Brazil made up more than half of the total (see Figure 7). However, tourists from countries other than those major markets have been increasing gradually but steadily and they accounted for 44% in 2008. According to these statistics, Beppu city should be preparing to accommodate more non-Asian and non-English speaking tourists.

Discussion

The visitor statistics regarding destinations in Japan are taken by local government offices and the statistics regarding overnight stays at accommodations have been filed by the Ministry of Land, Infrastructure, Transport and Tourism. The Japan Tourism Agency now reports these statistics quarterly. However, it is necessary to keep the statistics monthly and, through local cooperation, to secure their promptness and reliability. Interviews with hotel management in Beppu city found that the reporting of monthly statistics has helped them to keep more correct records of the number of guests and to learn the identities of their customers. This cooperation between a university and the local tourism businesses in Beppu provides a good example of possible collaborations in marketing activities for other destinations.

These monthly statistics, prepared in a timely manner, can provide basic but important information used to develop marketing activities at all destinations. It would be even more helpful to gather additional specific information on guests, such as expenses, travel companions, and travel routes, if possible.

Notes

- 1) Seiji Maehara, the new Minister of Land, Infrastructure, Transport and Tourism, understands the importance of tourism for Japanese economy and mentioned that the previous administration's goal of 20 million foreign tourists to Japan by 2020 is too easy. He wants to achieve its goal earlier than the original date. (Conference speech on October 1, 2009 at the Ministry).
- 2) Since there is no data on the number of employees in tourism industry, we need to estimate its size by referring to available data. The three sectors in tertiary industry partly contribute to tourism industry.
- 3) Data on job opening at city level was not available. Therefore, we use prefecture level data. Since the number of city's job openings is about 1/6 of the prefecture, it is not totally invalid to infer the characteristics of job opening at city level from the data. Furthermore, Beppu's characteristic as a tourist area supports the validity of the data.
- 4) Beppu has the following qualities of *onsen*: Simple springs, Carbon Dioxide Springs, Bicarbonate Springs, Chloride Springs, Sulfate Springs, Sulfuric Springs, Copper and Iron Springs, Aluminum Springs, Chalybeate Springs, and Acidic Springs (Beppu City 2009).

References

- Beppu City (2009) 'Hot Springs "Onsen".' *Official Web Beppu City*.
<http://www.city.beppu.oita.jp/51englishpage/index.html> (accessed November 2, 2009).
- Beppu Foreign Tourists Welcoming Committee (2000-2009). *Monthly Statistics of Foreign Travelers to Beppu*. (Japanese)
- Japan National Tourism Organization (JNTO) (2008) *JNTO White Paper on International Tourism: Trend of International Tourism Exchange between the World and Japan*. (Japanese) Tokyo: International Tourism Center of Japan.
- Japan National Tourism Organization (JNTO) (2008) *The total number of Foreign Tourists to Japan 2008*. (Japanese).
http://www.jnto.go.jp/jpn/downloads/2008_total.pdf (accessed November 1, 2009).
- Japan National Tourism Organization (JNTO) (2009) *The total number of Foreign Tourists to Japan 2009*. (Japanese) http://www.jnto.go.jp/jpn/downloads/2009_total.pdf (accessed October 7, 2009).
- Japan SPA Association. (2009) 'Top 10 Hot Spring Statistics.' *Hot Spring*. 828.
- Ministry of Land, Infrastructure, Transport and Tourism, Japan (2006) *Visit Japan Campaign*.
http://www.mlit.go.jp/sogoseisaku/kanko/detail_vjc.html (accessed September 30, 2009).
- Ministry of Land, Infrastructure, Transport and Tourism, Japan (2009). *A Summary of the Minister Maehara's Conference Speech on October 1, 2009*. (Japanese)
<http://www.mlit.go.jp/report/interview/daijin091001.html> (accessed October 9, 2009).
- Ministry of Internal Affairs and Communications (October 2008). *Survey on the Attitudes of Tourism Facilities in Japan towards Foreign Travelers*. (Japanese)
http://www.soumu.go.jp/menu_news/s-news/0810m.html (accessed March 13, 2009).
- Oita Prefecture Bureau of Labor. (2009). *New Job Openings by Industry and by Size (Including Part-time)*. (Japanese)
<http://www.oitaroudoukyoku.go.jp/contents.php?id=2009182> (accessed October 12, 2009).